

shall be used for purposes provided by Section 49-c of this article, \$200 million of those bonds shall be used for purposes provided by Section 49-d-1 of this article, and \$50 million of those bonds shall be used for flood control as provided by law.

(b) The Texas Water Development Board may use the proceeds of Texas water development bonds issued for the purposes provided by Section 49-c of this article for the additional purpose of providing financial assistance, on terms and conditions provided by law, to various political subdivisions and bodies politic and corporate of the state and to nonprofit water supply corporations to provide for acquisition, improvement, extension, or construction of water supply projects that involve the distribution of water to points of delivery to wholesale or retail customers.

(c) The legislature may require review and approval of the issuance of the bonds, the use of the bond proceeds, or the rules adopted by an agency to govern use of the bond proceeds. Notwithstanding any other provision of this constitution, any entity created or directed to conduct this review and approval may include members or appointees of members of the executive, legislative, and judicial departments of state government.

(d) Except as specifically provided by Subsection (e) of this section, the Texas Water Development Board shall issue the additional bonds authorized by this section for the terms, in the denominations, form, and installments, on the conditions, and subject to the limitations provided by Sections 49-c and 49-d-1 of this article and by laws adopted by the legislature implementing this section.

(e) The legislature may provide by law for subsidized loans and grants from the proceeds of bonds authorized by this section to provide wholesale and retail water and wastewater facilities to economically distressed areas of the state as defined by law, provided, the principal amount of bonds that may be issued for the purposes under this subsection may not exceed 20 percent of the total amount of bonds authorized by this section. Separate accounts shall be established in the water development fund for administering the proceeds of bonds issued for purposes under this subsection, and an interest and sinking fund separate from and not subject to the limitations of the interest and sinking fund created pursuant to Section 49-c for other Texas water development bonds is established in the State Treasury to be used for paying the principal of and interest on bonds for the purposes of this subsection. While any of the bonds authorized for the purposes of this subsection or any of the interest on those bonds is outstanding and unpaid, there is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by this constitution, and amount that is sufficient to pay the principal of and interest on those bonds issued for the purposes under this subsection that mature or become due during that fiscal year.

(f) Subsections (c) through (e) of Section 49-d-2 of this article apply to the bonds authorized by this section.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 7, 1989. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to authorize the issuance of an additional \$500 million of Texas water development bonds for water supply, water quality, and flood control purposes."

Adopted by the Senate on April 11, 1989, by the following vote: Yeas 30, Nays 0.

Adopted by the House on May 25, 1989, by the following vote: Yeas 137, Nays 2, one present not voting.

Filed with the Secretary of State, May 31, 1989.

S.J.R. No. 11

SENATE JOINT RESOLUTION

proposing a constitutional amendment to authorize the exemption from ad valorem taxation certain personal property temporarily in the state for certain purposes.

Be it resolved by the Legislature of the State of Texas:

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SECTION 1. That Article VIII, Section 1, of the Texas Constitution is amended to read as follows:

Sec. 1. (a) Taxation shall be equal and uniform.

(b) All real property and tangible personal property in this State, *unless exempt as required or permitted by this Constitution*, whether owned by natural persons or corporations, other than municipal, shall be taxed in proportion to its value, which shall be ascertained as may be provided by law.

(c) The Legislature may provide for the taxation of intangible property and may also impose occupation taxes, both upon natural persons and upon corporations, other than municipal, doing any business in this State. It may also tax incomes of both natural persons and corporations other than municipal, except that persons engaged in mechanical and agricultural pursuits shall never be required to pay an occupation tax.

(d) The Legislature by general law shall exempt from ad valorem taxation household goods not held or used for the production of income and personal effects not held or used for the production of income. The Legislature by general law may exempt from ad valorem taxation:

(1) all or part of the personal property homestead of a family or single adult, "personal property homestead" meaning that personal property exempt by law from forced sale for debt; and

(2) subject to Subsection (e) of this section, all other tangible personal property, except structures which are personal property and are used or occupied as residential dwellings and except property held or used for the production of income.

(e) The governing body of a political subdivision may provide for the taxation of all property exempt under a law adopted under Subdivision (2) of Subsection (d) of this section and not exempt from ad valorem taxation by any other law.

(f) ~~[(h)]~~ The occupation tax levied by any county, city or town for any year on persons or corporations pursuing any profession or business, shall not exceed one half of the tax levied by the State for the same period on such profession or business.

SECTION 2. Article VIII of the Texas Constitution is amended by adding Section 1-j to read as follows:

Sec. 1-j. (a) To promote economic development in the State, goods, wares, merchandise, other tangible personal property, and ores, other than oil, natural gas, and other petroleum products, are exempt from ad valorem taxation if:

(1) the property is acquired in or imported into this State to be forwarded outside this State, whether or not the intention to forward the property outside this State is formed or the destination to which the property is forwarded is specified when the property is acquired in or imported into this State;

(2) the property is detained in this State for assembling, storing, manufacturing, processing, or fabricating purposes by the person who acquired or imported the property; and

(3) the property is transported outside of this State not later than 175 days after the date the person acquired or imported the property in this State.

(b) Tangible personal property exempted from taxation in Subsection (a) of this section is subject to the following:

(1) A county, common, or independent school district, junior college district, or municipality, including a home-rule city, may tax such property otherwise exempt, if the governing body of the county, common, or independent school district, junior college district, or municipality takes official action as provided in this section and in the manner provided by law to provide for the taxation of such property.

(2) Any official action to tax such exempt property must be taken before April 1, 1990. If official action is taken to tax such exempt property before January 1, 1990, such property is taxable effective for the tax year 1990. However, if such official action to tax such exempt property is taken prior to April 1, 1990, but after January

1, 1990, the official action shall not become effective to tax such property until the 1991 tax year.

(3) Any of the above-named political subdivisions shall have the authority to exempt from payment of taxation such property located in such above-named political subdivisions for the taxing year 1989. If a governing body exempts the property from 1989 taxes, the governing body shall waive 1989 taxes already imposed and refund 1989 taxes already paid on such property for that year.

(4) The governing body of a county, common, or independent school district, junior college district, or municipality that acts under Subdivision (2) of Subsection (b) of this section to tax the property otherwise exempt by Subsection (a) of this section may subsequently exempt the property from taxation by rescinding its action to tax the property. The exemption applies to each tax year that begins after the date the action is taken and applies to the tax year in which the action is taken if the governing body so provides. A governing body that rescinds its action to tax the property may not take action to tax such property after the rescission.

(c) For purposes of this section:

(1) tangible personal property shall include aircraft and aircraft parts;

(2) property imported into this State shall include property brought into this State;

(3) property forwarded outside this State shall include property transported outside this State or to be affixed to an aircraft to be transported outside this State; and

(4) property detained in this State for assembling, storing, manufacturing, processing, or fabricating purposes shall include property, aircraft, or aircraft parts brought into this State or acquired in this State and used by the person who acquired the property, aircraft, or aircraft parts in or who brought the property, aircraft, or aircraft parts into this State for the purpose of repair or maintenance of aircraft operated by a certificated air carrier.

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 7, 1989. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment promoting economic growth, job creation, and fair tax treatment for Texans who export goods to other states and nations by restoring and allowing, on a local option basis, an ad valorem tax exemption for certain personal property that is in Texas only temporarily for the purpose of assembling, storing, manufacturing, processing, or fabricating."

Adopted by the Senate on March 16, 1989, by the following vote: Yeas 27, Nays 2; May 25, 1989, Senate refused to concur in House amendment and requested appointment of Conference Committee; May 26, 1989, House granted request of the Senate; May 27, 1989, Senate adopted Conference Committee Report by the following vote: Yeas 28, Nays 2. Adopted by the House, with amendment, on May 15, 1989, by the following vote: Yeas 140, Nays 0, one present not voting; May 26, 1989, House granted request of the Senate for appointment of Conference Committee; May 29, 1989, House adopted Conference Committee Report by the following vote: Yeas 143, Nays 2, two present not voting.

Filed with the Secretary of State, June 6, 1989.

S.J.R. No. 16

SENATE JOINT RESOLUTION

proposing a constitutional amendment to abolish the office of county surveyor in certain counties.

Be it resolved by the Legislature of the State of Texas:

SECTION 1. Article XVI, Section 44, of the Texas Constitution is amended by adding Subsection (f) to read as follows: